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City of Downey *File*

DATE: May 19, 1978

TO: Mayor Greene and Members of City Council

FROM: City Manager

SUBJECT: Intermediate Budget Report Under Proposition 13

This report supplements and amends the preliminary report on the same subject dated March 28, 1978, but should not be considered as a final report and recommendation. The fundamental reason for this report being an intermediate step in the process is that many factors remain uncertain and therefore several assumptions have to be made.

The most basic question is how much will Proposition 13 General Fund revenue? For purposes of this report, an assumption has been made that the City of Downey will receive the same proportion of the total property taxes allowed under Proposition 13 as now received.

Assessed valuation of property in Downey for 1975-76 (to be frozen as base period under Proposition 13) was \$300,340,396. Ostensibly this is 25% of market value which would be \$1,201,361,584. Proposition 13 specifies 1% of market value as the tax limit which would yield \$12,013,615. Downey's tax rate is currently \$1.11 per \$100 assessed valuation out of a total, typical, rate of \$ 11.85. This amounts to 9.3% of the total which yields \$1,120,800. for Downey's General Fund.

The proposed budget for 1978-79 anticipates revenue from property tax at \$3,664,000; therefore, if the above assumption is reliable, there would be \$2,544,000 less revenue than needed to finance the budget as proposed.

Under the proposed budget, the City would budget a General Fund balance of \$685,000. It is proposed that this be reduced by \$223,000, leaving a fund balance of \$462,000 if Proposition 13 passes. This would require cuts of \$2,267,000 from the proposed budget.

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With these assumptions, the Proposition 13 budget would be as follows:

Estimated Opening Balance \$ 1,805,000.

Estimated Current Revenue \$ 10,556,400.

Transfers In:

Gas tax 529,000 11,085,400

Total Available for Appropriation \$ 12,890,400

In order to further minimize impacts on the General Fund, all activities outside the General Fund which have been subsidized by the General Fund are recommended to be placed on a self-sustaining basis. In addition, several activities within the General Fund are recommended to be made more nearly self-sustaining. These areas are as follows:

Building and Safety \$ 100,000

Golf Course Fund 26,000

Animal Control 20,000 \*

(\* This represents operating deficit only, does not include Capital Outlay requirements)

To accomplish the above recommendation it would be necessary to increase building and other fees by approximately 75% and to add 25% to golf course green fees and cart rentals. It would also be necessary to increase dog licenses to \$15. which would equal the present County charge.

Reductions in service levels are recommended in each department. Efforts have been made to minimize impacts on public health and safety as much as possible while recognizing that a community must have various other services if it is to be worthwhile and maintain a reasonable environment.

Some itemization of the proposed reductions are attached which are summarized below:


DEPARTMENT	No. of Positions*	Amount of Cut
Parks and Recreation	20	\$ 333,320.
Police Department	11	518,540.
Fire Department	13	445,720.
Public Works	10.4	367,020.
Community Development	9	280,510.
Library	7.4	121,000.
All Other	4	201,000.

TOTALS

75

\$ 2,267,110.

(\* Includes 4 transfers to grant programs)



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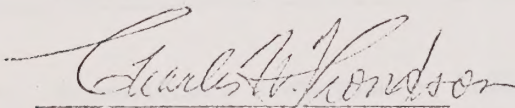
As noted above, there are a number of assumptions involved in this report. If the City Council does not choose to adopt increases in fees and charges as required by this recommendation, it will be necessary to make several additional cuts in personnel.

Of particular note is that one fire station may have to be closed depending upon what decision is made regarding the paramedic program. It should also be pointed out that all support for outside agencies and programs has been eliminated.

Finally, there is still a need to more fully evaluate the impacts of these recommendations on miscellaneous revenues and overhead costs. These will have some effect on the budget as a whole.

It is also extremely important to point out that the operating budget still depends upon a considerable amount of funds which have been carried over from prior years and current year activity. These carry overs will not be available in future years and therefore further cuts may have to be made.

Various departmental reports are attached.

  
CHARLES W. THOMPSON

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Attach.





PUBLIC WORKS DEPARTMENT

Positions reduction - 10  
\$ 367,020

I. Public Works Administration Program - 2110

- A. Expenditure Reduction - \$6,640.
- B. Position Reduction - .40 of a Secretary Stenographer

II. Support Services Programs - 3210 - 3220

- A. Expenditure Reduction - \$34,910
- B. Position Reduction - 2 positions.
- C. Activities Reduction:
  - 1. Rose Float
  - 2. Banners, flags, parades
  - 3. Work for other agencies
  - 4. DART program support
  - 5. Facility maintenance

III. Public Ways Programs - 3310, 3340, 3350, 3360

- A. Expenditure Reduction - \$202,690
- B. Position Reduction - 5 positions.
- C. Activities Reduction:
  - 1. Crack sealing
  - 2. Street sign names
  - 3. Street sealing
  - 4. Street resurfacing
  - 5. Curb marking
  - 6. Reflectors
  - 7. Sandblasting and grinding
  - 8. Public ways refuse disposal
  - 9. Tree planting
  - 10. Tree maintenance
  - 11. Root pruning
  - 12. Tree removal
  - 13. Nursery and tree farm
  - 14. Tree watering, staking, spraying, graffiti removal.





Public Works, continued

IV. Waste Management Programs - 3420, 3420, 3430, 3440, 3450, 3460

- A. Expenditure Reduction - \$122,780
- B. Position Reduction - 3 positions
- C. Activities Reduction:
  - 1. DART program
  - 2. Street sweeping
  - 3. Parking lot maintenance
  - 4. State highway sweeping
  - 5. Dry well maintenance

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COMMUNITY DEVELOPMENT DEPARTMENT

Position Reduction - 7.6  
\$ 280,510

I. Community Development Administration - Program 5010

- A. Expenditure Reduction \$ 12,960
- B. Position Reduction .6 Secretary Steno
- C.D. Director - Part of time charged to grant programs

II. Planning - Program 5110 - 5130

- A. Expenditure Reduction \$ 37,000
- B. Position Reduction Transfer of 2 planners to grants
- C. Activity Reduction:
  - 1. 40% reduction in advance planning activity
  - 2. Delays in processing zoning cases
  - 3. Slower service in public counter
  - 4. Eliminate travel for Planning Commission and cut staff travel

III. Building & Safety - Programs 5210 - 5240

- A. Expenditure Reduction \$ 59,300
- B. Position Reduction 3 positions
- C. Activity Reduction:
  - 1. Increased plan checking time
  - 2. One-half of environmental control
  - 3. 25% increase in permit issuance time

IV. Engineering - Programs 5310 - 5330; 5410 - 5430

- A. Expenditure Reduction \$ 169,750
- B. Position Reduction 4 positions
- C. Activity Reduction: 1 position GRS

- 1. Eliminate four employees by making the following reductions in labor that are spread through these activities:

Internal Services (10/5310)	\$ 16,100
Community Services (10/5320)	12,000
Land Acquisition & Disposal (10/5330)	2,600
Capital Improvement Project	
Support (10/5340)	11,500
Project Cost Engineering (10/5345)	6,000
Street & Sidewalks Engineering	
(10/5421)	25,000
Underground District Engineering	
(10/5422)	1,500
Public Transit Engineering (10/5423)	7,550
Traffic Engineering (10/5427)	12,000





COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

2. In Community Development Engineering Program Support (10/5351), reduce operating charges (printing, staff development, title transfer, reports, travel, & postage and supplies \$ 4,100
3. Charge H.C.D. federal grant for labor in Com. Dev. Engineering Program Support (10/5351) 10,000
4. Shut off 155 safety lights at intersections having two or more safety lights (Lighting Engineering, activity 10/5424) 15,500
5. Shut off traffic signals at 28 intersections and install 4-way stop signs (Traffic signals-Routine, activity 10/5425) 34,000
6. Eliminate traffic signal upgrading (Traffic Signals-Extraordinary, activity 10/5426) 11,900





LIBRARY

Position Reduction 7.4 (F.T. Equivalent)  
\$ 121,000

I. Library Administration - Program 4810

A. Expenditure Reduction \$ 11,900

B. Activity Reduction:

Reduction of support services

II. Adult Services & Children Services - Program 4820 - 4830

A. Expenditure Reduction 109,000

B. Position Reduction All part time hours

C. Activity Reduction:

1. Library on a 40 hour week instead of 77 hours
2. Elimination of new audio-visual acquisitions
3. Elimination of special programs and film service to teachers
4. Elimination of children's summer reading programs; Reading in Fundamental, story hours, Business Briefs, film programs and others.
5. Relinquish the library's status as a Depository for U. S. Government Publications



## FIRE DEPARTMENT

The Fire Department Budget for 1978-79 is recommended at \$3,071,760.

If the Jarvis Initiative passes, it will have a significant impact on fire service. The following recommendations would reduce the department budget by \$ 445,720.

### I. Program - Fire Suppression - 2710

- A. Expenditure Reduction - \$ 279,500.
- B. Position Reduction - 7 safety positions
- C. Impact on Activities:
  - 1. Eliminate one fire company, may require closing one fire station. See Item II below.
  - 2. Increase response time.
  - 3. Reduce the ability to process emergency calls.

### II. Program - Medical Program - 2720 (Paramedics)

- A. Expenditure Reduction - ?
- B. Position Reduction - ?
- C. Impact on Activities:

Possible Revenue - by charging \$50 per incident, it would be possible to generate approximately \$80,000 revenue. If Paramedics were eliminated, all fire stations could be kept open - reduction of \$ 228,000 by eliminating paramedics; - \$148,000 net costs by adding \$ 50 charge.

### III. Program - Fire Prevention - 2730

- A. Expenditure Reduction - \$ 133,550.
- B. Position Reduction - 2 public safety positions, 2 miscellaneous
- C. Impact on Activities:
  - 1. 80% reduction in Fire Prevention programs. Possible revenue of \$25,000 on fire prevention fees.

### IV. Program - Communications

- A. Expenditure Reduction - \$ 32,570.
- B. Position Reduction - 2 dispatchers
- C. Impact on Activities: Back-up alarms system abandoned.





POLICE DEPARTMENT

Reductions - 11 positions, 8 sworn, 3 non-sworn  
\$ 518,540

I. Field Operations, Programs 2220 - 2270

- A. Expenditure Reduction \$ 164,940
- B. Position Reduction Three positions (2 Public Safety and 1 Communications Operator)
- C. Activity Reduction:
  - 1. Eliminate Crossing Guard Program 29,940
  - 2. Reduce overtime expense 40,000
  - 3. Eliminate one communications oper. 15,500
  - 4. Eliminate one police officer position from the Community Relations Program 30,000
  - 5. Eliminate one investigator from Traffic Program 33,000
  - 6. Demote three sergeants to police officer positions 16,500

II. Investigation, Programs 2310, 2320, 2330, 2340, 2350

- A. Expenditure Reduction 144,600
- B. Position Reduction Three public safety officers
- C. Activity Reduction:
  - 1. Delete three vehicles from program 21,600
  - 2. Reduce overtime expense 23,000
  - 3. Eliminate three police officer positions from vice & narcotics enforcement 100,000
  - 4. Diversion of enforcement duties to tactical squad
  - 5. Reduction in burglary enforcement
  - 6. Reduction in narcotics enforcement

III. Technical Services, Programs 2410, 2420, 2430, 2440

- A. Expenditure Reduction 209,000
- B. Position Reduction Four- three sworn and 1 non-sworn
- C. Activity Reduction
  - 1. Eliminate computer software program 2,000
  - 2. Eliminate one police clerk 14,000
  - 3. Eliminate four positions in identification program 160,000





POLICE DEPARTMENT (Continued)

4. Eliminate the court and warrant position 33,000
5. Reduction in field officer time due to each officer performing identification tasks
6. Reduction in investigation efficiency

IV. Administrative Services, Program 2110

No change



PARKS AND RECREATION DEPARTMENT

Reductions - 13 F.T. Equivalent  
7 Maintenance  
\$ 333,320.

I. Program - Administration - 4110

- A. Expenditure Reduction - \$ 17,700
- B. Position Reduction - all temporary clerical.
- C. Impact on Activities:
  - 1. All clerical services and supplies for co-sponsored groups eliminated, including Art Museum, Historical Society, Tennis, Dolphins, Sr. Citizen Clubs, Cultural groups, etc.

II. Program - Parks - 4200, 4210, 4220, 4230, 4240

- A. Expenditure Reduction - \$ 104,450
- B. Position Reduction - 3 Maintenance Men
- C. Impact on Activities:
  - 1. Beautification and Grounds - reduce 1 maintenance man
  - 2. Facilities Maintenance/Construction - reduce 1 maintenance man
  - 3. Street Medians - reduce 1 requested maintenance man
  - 4. Eliminate fertilizer-plant replacement
  - 5. Eliminate landscape improvements and modifications
  - 6. Eliminate construction alterations and extraordinary repairs
  - 7. Only the bare routine maintenance functions would continue
  - 8. Eliminate most of the chemical and pesticide program
  - 9. Eliminate all replanting and modification programs of street medians but maintenance of street medians would be continued





PARKS AND RECREATION DEPARTMENT, Continued

III. Program - Recreation - 4310, 4320, 4330, 4340, 4350, 4360

- A. Expenditure Reduction - \$ 140,000
- B. Position Reduction - 24,960 part-time hours (12 F.T. Equivalent)
- C. Impact on Activities:

- 1. Delete teen sports or charge for full costs
- 2. Girls sports - cut approximately in half
- 3. Sports - cut ball diamond maintenance for non-City sports programs (Little League, Pony-Colt, Conny Mack, etc.)
- 4. D.J.A.A. - Cut approximately in half

Individual participants now pay \$4 per sport. Increase participant registration fees approximately 300% or increase fund raising by D.J.A.A. Board.

- 5. Eliminate all school year recreation programs
- 6. Fee Schedules established for all buildings and reservation picnic shelters
- 7. Eliminate all fish plantings at Wilderness Park
- 8. Eliminate all Special Events
- 9. All special youth classes established so that they would become totally self-sustaining
- 10. Eliminate all financial and part-time personnel support for Downey Dolphins, Downey Tennis Club, Downey Sr. Citizen Clubs, Downey Shuffleboard Club, Downey Retarded Childrens Program.
- 11. Increase reservation fees for Independence Park Tennis Center, and lights charge for Furman Park Tennis Courts.

IV. Program - Theatre - 4500

- A. Expenditure Reduction - \$71, 170
- B. Position Reduction - 1 person
- C. Impact on Activities:
  - 1. Delete all children's plays
  - 2. Rentals charged to all community groups
  - 3. All budget expenditures reduced to minimal amounts



Parks & Recreation, continued

4. Theatre maintenance reduced.

V. Program - Human Services - 6510, 6120, 6310, 6140, 6320, 6410, 6350

- A. Expenditure Reduction - \$36,240
- B. Position Reduction - 2686 part-time hours and 1 Maintenance Man
- C. Impact on Activities:
  1. Eliminate Detox program
  2. Eliminate assistance to Meals on Wheels
  3. Eliminate Human Services Directory
  4. Eliminate clerical services to Coordinating Council and other agencies
  5. Reduce custodial services and supplies and landscape materials

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